PRADHAN MANTRI JEEVAN JYOTI BIMA YOJANA

Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)
Launch year – 2015
Ministry – Ministry of Finance
Type – Central Sector Scheme
Aim- To provide **life insurance coverage and financial security** to individuals in India, particularly those in the economically vulnerable segments of society
Eligibility – • **Age Group:** People between the ages of 18 and 50 are eligible to enrol in this scheme. • **Account Requirement:** Eligible individuals must have either an individual bank account or a post office account. • **Coverage Period:** If a person joins the scheme before turning 50 years old, they can continue to have their life risk covered under the scheme until the age of 55 years. • **Premium Payments:** To maintain coverage, individuals need to pay regular premiums.

Features –

- Provides Life cover of **Rs. 2 Lakh** in case of death due to any reason.
- Claim only given in case of death after the **first 30 days of enrolment.**
- The life cover provided by PMJJBY is for a **one-year period, from 1st June to 31st May of each year**, and it is renewable.
- The annual premium for the PMJJBY is **Rs. 436 per annum.** This premium amount is auto-debited in one instalment from the subscriber's bank account. The subscriber needs to ensure that the premium is paid on or before 31st May of each annual coverage period to maintain coverage.
- The PMJJBY scheme is offered by the Life Insurance Corporation (LIC) and other life insurance companies that are willing to offer the product on similar terms with the necessary approvals and tie-ups with banks.

PRADHAN MANTRI SURAKSHA BIMA YOJANA

Pradhan Mantri Suraksha Bima Yojana (PMSBY)

Launch year – 2015

Ministry – Ministry of Finance

Type – Central Sector Scheme

Aim – To **provide accident insurance** to the poor and give their family financial protection in the event of any mishap.

Eligibility –

- Persons in the age group of **18-70 years** having an individual bank or a post office account are entitled to enrol under the scheme.

Features –

- **Coverage:** Rs. **2 lakh** for accidental death, **Rs. 1 lakh** for partial disability due to an accident.
- **Premium:** Rs. **20 per year.**
- **Eligibility:** Individuals aged 18 to 70 with a bank account.
- **Coverage Period:** Annual (1st June to 31st May).
- **KYC:** Aadhar.
- The premium will be deducted from the account holder's bank/ Post office account through an 'auto debit' facility in one instalment on or before 1st June of each annual coverage period under the scheme
- **Offered by:** Public Sector General Insurance Companies and approved insurers in partnership with banks.

SOVEREIGN GOLD BOND SCHEME

Sovereign Gold Bond Scheme

Launch Year - 2015

Ministry - Ministry of Finance

Issuance - Issued by the Reserve Bank of India (RBI) on behalf of the Government of India

Objectives - To mobilize the gold held by households and institutions in the country.

Eligibility -

- The bonds are available to resident Indian entities, including Individuals, HUFs, Trusts, Universities, and Charitable Institutions.
- KYC norms are similar to those for purchasing physical gold, requiring documents like Voter ID, Aadhaar card/PAN or TAN, or Passport.

Features -

- Bonds are denominated in grams of gold, with a **basic unit of 1 gram**
- The **tenor of the bond is 8 years**, with **exit options in the 5th, 6th, and 7th years.**
- The **minimum investment** allowed is **1 gram** of gold.
- The **maximum subscription** limits are **4 KG for individuals, 4 Kg for HUFs**, and **20 Kg for trusts and similar entities per fiscal year.**
- Investors receive **a fixed interest rate of 2.50% per annum, paid semi-annually** on the nominal value.
- Online applicants who pay digitally receive a **discount of Rs. 50 per gram.**
- Payment can be made through **cash (up to Rs. 20,000)**, demand draft, cheque, or electronic banking.

- **Interest on Gold Bonds is taxable as per the provisions of the Income Tax Act**
- **Capital gains tax is exempted for individuals upon redemption.**
- Indexation benefits are provided for long-term capital gains.
- The redemption price is in Indian Rupees and based on the average closing price of 999-purity gold for the previous **3 working days.**
- Bonds can be used as collateral for loans, subject to Loan-to-Value (LTV) ratios mandated by RBI.
- Bonds become tradable on stock exchanges within a fortnight of issuance

Union Government in the **Budget 2024-25** announced a reduction of the **import duty on gold** from **15% to 6%**. For the fiscal year 2024-25, the government reduced gross SGB issuances from Rs 29,638 crore to Rs 18,500 crore. Net borrowing through SGBs has also been reduced to Rs 15,000 crore.

NATIONAL PENSION SYSTEM

National Pension System
Launch year - 2004
Ministry - Ministry of Finance
Implementing Agency - Pension Fund Regulatory and Development Authority (PFRDA)
Objectives - The scheme allows for systemised savings during one's working years, thus inculcating a financial discipline among individuals to save for the future
Beneficiaries - Any citizen of India (both resident and Non-resident) in the age group of 18-65 years

Features –

NPS offers two types of accounts: Tier-I and Tier-II.

- **Tier-I:** A pension account with restricted withdrawals.
- **Tier-II:** A voluntary account with liquidity for investments and withdrawals, but it requires an active Tier-I account.
- Each NPS subscriber is assigned a unique PRAN, maintained by the **Central Recordkeeping Agency (CRA).**
- For withdrawal upon retirement, at least 40% of the NPS corpus must be used to purchase a pension for life (annuity) from a life insurance company. The remaining corpus can be taken as a lump sum.

3 models:

- **Government Model:** This model is mandatory for Central Government employees (**except Armed Forces**) recruited on or **after January 1, 2004**. Many State Governments have also adopted NPS for their employees. Government employees contribute a portion of their salary to NPS, and the government matches this contribution.
- **Corporate Model:** Companies can choose to adopt NPS for their employees. The contribution rates for corporate employees are determined by the employment conditions set by the company.
- **All Citizens Model:** The All-Citizens Model allows any Indian citizen aged between 18 and 65 years to voluntarily join NPS. This is open to individuals regardless of their employment status.

- **Enrolment:** Government employees enrol through nodal officers, corporate employees through employers or PoPs, and other individuals through PoPs or eNPS.
- **Access and Portability:** Subscribers have online access to their pension accounts and can switch jobs without affecting their NPS accounts.
- **Partial Withdrawal:** Subscribers can make partial withdrawals from NPS Tier-I for specified purposes after contributing for at least ten years. There must be a minimum gap of five years between successive withdrawals.
- **Tax Benefits:** NPS offers various tax benefits, including deductions for contributions under **Sections 80CCD (1) (Rs. 1.50 lakh)** and **additional exemption under 80CCD (1B) (Rs. 50,000)** of the Income Tax Act, tax-free withdrawals, and tax exemption on annuity purchase.

VIVAD SE VISHWAS SCHEME I

Vivad se Vishwas I Scheme

Launch year - 2023

Ministry -Ministry of Finance

Aim - Aimed at providing relief to MSMEs affected by the COVID-19 pandemic. Ministries have been asked to refund performance security, bid security and liquidated damages forfeited/ deducted during the COVID-19 pandemic. Certain relief has also been provided to MSMEs debarred for default in the execution of contracts during the COVID-19 period.

Eligibility:

- MSMEs must be registered as Medium, Small, or Micro Enterprises under the relevant Ministry of MSME scheme at the time of claiming relief.
- Contracts for Goods and Services with delivery or completion periods between 19.02.2020 and 31.03.2022 are eligible.

Features –

- Came into effect on 17.04.2023, and the deadline for submitting claims is 30.06.2023.
- Relief under the scheme applies to all contracts for the procurement of Goods and Services entered into by any government entity, including Ministries, Departments, attached/subordinate offices, autonomous bodies, Central Public Sector Enterprises (CPSEs), Central Public Sector Banks, and Financial Institutions.

Claim Submission:

- Claims for relief must be submitted through the Government e-Marketplace (GeM).
- Eligible claims will be processed exclusively through GeM.

VIVAD SE VISHWAS – II

- The scheme was announced in the **Union Budget 2023-24** by the Union Finance Minister.
- It is a **voluntary settlement scheme** to resolve long-standing contractual disputes involving government agencies.
- It is designed **specifically for disputes where the Arbitral Award** is under challenge in a court.
  - Arbitral Award is an award that brings **finality to the arbitral proceeding.**

VIVAD SE VISHWAS – II

The Scheme aims to provide a platform for resolving contractual disputes efficiently and promptly, promoting ease of doing business with the government and encouraging fresh investments in the country

Implementation:

- It will be implemented through an online functionality on the **Government e-Marketplace (GeM) portal.**
  - The scheme will cover all disputes with Central government agencies, including autonomous bodies, public sector banks and financial institutions, central public sector firms, union territories and the National Capital Territory of Delhi, along with their respective agencies.
  - However, organizations such as metro corporations, where the **Centre holds a 50% stake,** can choose to opt out of the scheme at their discretion, provided they secure board approvals.
- **Settlement Amount:**
  - For cases involving Court awards, the settlement amount offered to the **contractor will be up to 85% of the net amount awarded** or upheld by the court, while the same threshold will be "up to" **65% of the net amount** in case of arbitral awards.

EMERGENCY CREDIT LINE GUARANTEE SCHEME

Emergency Credit Line Guarantee Scheme (ECLGS)

Launch year - 2020

Ministry - Ministry of Finance

Objectives –

- To support MSMEs and businesses by providing financial aid to address operational challenges caused by COVID-19 disruptions.
- The scheme offered a **100% guarantee to these lenders,** ensuring they wouldn't incur losses in case borrowers couldn't repay the Guaranteed Emergency Credit Line (GECL) funding.

Tenure - Till March 2023

Features –

- The scheme offers a **100% credit guarantee** to lending institutions for loans to eligible borrowers. The guarantee limit has been **increased from Rs. 4.5 lakh crore to Rs. 5 lakh crore,** with an extra **Rs. 50,000 crore** allocated exclusively for the **Hospitality and related sectors, including Civil Aviation, to support their recovery.**

ECLGS was implemented in phases with specific eligibility criteria:

- **ECLGS 1.0** covered MSME units, Business Enterprises, Mudra Borrowers, and Individual loans for business purposes with loans outstanding up to Rs. 50 crore and up to 60 days past due as of February 29, 2020.
- **ECLGS 2.0** included borrowers from 26 stressed sectors identified by the Kamath Committee and the Healthcare sector, with loan outstanding above Rs. 50 crore and up to Rs. 500 crore and up to 60 days past due as of February 29, 2020.
- **ECLGS 3.0** extended support to borrowers in the Hospitality, Travel & Tourism, Leisure and sporting, and Civil Aviation sectors with days past due up to 60 days as of February 29, 2020.
- **ECLGS 4.0** encompassed existing Hospitals, Nursing Homes, Clinics, Medical Colleges, and units engaged in the manufacturing of essential medical supplies, with credit facilities and days past due up to 90 days as of March 31, 2021.

- Eligible MSME borrowers could receive GECL funding, either in the form of additional working capital term loans (for banks and FIs) or additional term loans (for NBFCs), up to 20% of their entire outstanding credit, capped at **Rs. 25 crores as of February 29, 2020**.
- The entire funding provided under GECL was backed by a 100% credit guarantee from the **National Credit Guarantee Trustee Company Limited (NCGTC)** to Member Lending Institutions (MLIs) participating in ECLGS.
- **The loan tenor under the scheme was set at four years, with a one-year moratorium on the principal amount.**
- No Guarantee Fee was charged by NCGTC to MLIs under the scheme.
- **Interest rates** under the scheme were capped at **9.25%** for banks and FIs, and at 14% for NBFCs

ATAL PENSION YOJANA

Atal Pension Yojana

Launch year - 2015

Ministry - Ministry of Finance

Implementing Agency - Pension Fund regulator of India (PFRDA)

Type - Central Sector Scheme

Aim – To establish a comprehensive social security system for all Indians, particularly focusing on the welfare of the economically disadvantaged, the underprivileged, and workers in the unorganized sector

Objectives –

- APY is open to all bank account holders in the age group of **18 to 40 years** and the contributions differ, based on the pension amount chosen.
- The savings bank account/ post office savings bank account is mandatory for joining APY

Eligibility-

- Subscribers would receive the guaranteed minimum monthly pension of **Rs. 1000 or Rs. 2000 or Rs. 3000 or Rs. 4000 or Rs. 5000 at the age of 60 years.**
- The monthly pension would be available to the subscriber, and after him to his spouse and after their death, the pension corpus, as accumulated at age 60 of the subscriber, would be returned to the nominee of the subscriber.
- In case of premature death of the subscriber (death before 60 years of age), the spouse of the subscriber can continue the contribution to the APY account of the subscriber, for the remaining vesting period, till the original subscriber would have attained the age of 60 years.
- Subscribers can make contributions to **APY on monthly/ quarterly / half-yearly basis.**
- Subscribers can voluntarily exit from APY subject to certain conditions, on deduction of Government co-contribution and return/interest thereon.
- The government guarantees a minimum pension under the Atal Pension Yojana (APY). If actual returns on contributions fall short of the guaranteed pension, the government covers the shortfall. Conversely, any excess returns are credited to the subscriber's account.

- The government also co-contributes **50% of the total contribution or Rs. 1000 per annum** (whichever is lower) for eligible subscribers **who joined between June 1, 2015, and March 31, 2016**, and aren't beneficiaries of other social security schemes or income taxpayers. This co-contribution is available for **5 years from 2015-16 to 2019-20.**
- Similar to the National Pension System (NPS), APY subscribers receive tax benefits on contributions and enjoy tax-free annuity purchases upon exit. Only the pension income is taxed at the applicable rate.

Other Information

- More than **5 crore** individuals have subscribed to the scheme
- Over **45%** beneficiaries of Atal Pension Yojana are women

PRADHAN MANTRI MUDRA YOJANA

Pradhan Mantri Mudra Yojana
Launch year – 2015
Ministry - Ministry of Finance
Implementing Agency - MUDRA (Micro Units Development & Refinance Agency Ltd.),
Type – Central Sector Scheme.
Objectives- To create an inclusive, sustainable, and value-based entrepreneurial culture.
Beneficiaries - Any Indian citizen with a business plan for a non-farm sector income-generating activity and credit needs less than Rs 10 lakh

Types of Loan

- There are 3 products under the Mudra scheme that provide loans up to Rs. 10 lakh which are based on the funding requirements
- **Shishu:** Covers loans up to Rs. 50,000
- **Kishore:** Covers loans above Rs. 50,000 and up to Rs. 5 lakh
- **Tarun:** Covers loans above Rs. 5 lakh and up to Rs. 10 lakh
- The loan can be used for businesses that generate income in the manufacturing, trading, services, and agricultural industries.

Features

A debit card is issued for the MUDRA loan account, facilitating numerous withdrawals and deposits. This enables efficient management of working capital limits and helps minimize interest expenses

Addition -
Tarun Plus- 10lakh to 20 akh

MAHILA SAMMAN SAVINGS CERTIFICATE

Mahila Samman Savings Certificates, 2023

Launch year - 2023

Ministry – Ministry of Finance

Tenure - 1 April 2023 to 31 March 2025 (2 years)

Aim - To promote financial inclusion among women in India

Eligibility - All women or by the guardian on behalf of a minor girl.

Deposit:

- The minimum deposit required is **Rs. 1,000, with increments of Rs. 100.** (The maximum limit for a single account or all accounts held by the account holder is **Rs. 2 lakh.**)
- A time gap of three months must be maintained between opening existing and new accounts.

Interest:

- Deposits are eligible for **7.5% interest per annum**.
- Interest is compounded quarterly.
- Accounts opened or deposits made in contravention of rules will receive interest at the rate of a PO Savings Account.

Withdrawal:

- After one year from the date of account opening, account holders can withdraw **40%** of the eligible balance.

Premature Closure:

- Closure can occur on the death of the account holder.
- Compassionate grounds include life-threatening diseases of the account holder or the death of the guardian, with relevant documentation.

Maturity:

- Eligible balance will be paid to the depositor after two years from the date of opening.

PRADHAN MANTRI JAN DHAN YOJANA

Pradhan Mantri Jan Dhan Yojana
Launch year - 2014
Ministry - Ministry of Finance
Objectives - Ensure access of financial products & services at an affordable cost and Use of technology to lower cost & widen reach.
Beneficiaries - Any person who does not have access to bank account.
Features – • Issuance of Indigenous Rupay Debit cards with free accident Insurance coverage of Rs. 2 lakhs. • Zero balance account • Providing micro-insurance, overdrafts, micro-pension, and micro-credit. • Overdraft Facility of **Rs. 10,000/- for eligible adults.** • Repayment period of **36 Months** • Age Limit of **18 to 65 years.** • Accidental cover increased up to Rs. 2 Lakh from (Rs. 1 lakh) from 2018 onwards and life cover of Rs. 30,000.

STAND UP INDIA SCHEME

Stand Up India Scheme
Launch year - 2016
Ministry - Ministry of Finance
Aim - To offer bank loans ranging from **10 lakh to 1 Crore** for greenfield enterprises. It promotes entrepreneurship by requiring each bank branch to support at least one SC/ST member and one-woman entrepreneur. These businesses can operate in manufacturing, services, agri-allied activities, or trading. In non-individual enterprises, at least 51% of shareholding and control must belong to an SC/ST or woman entrepreneur.
Implementing Agency - Small Industries Development Bank of India (SIDBI)
Type - Central Sector Scheme
Eligibility - The Stand-Up India Scheme is open to SC/ST and/or woman entrepreneurs who are at least 18 years of age

Features –

- **Nature of Loan:** This scheme offers a composite loan, which includes both a term loan and working capital, ranging from 10 lakh to up to 100 lakh.
- **Purpose of Loan:** The loan is intended to support the establishment of new enterprises in manufacturing, services, Agrarian activities, or the trading sector, specifically for SC/ST and/or women entrepreneurs.
- **Size of Loan:** The loan amount consists of 85% of the project cost, covering both the term loan and working capital. However, this requirement does not apply if the borrower's contribution, along with support from other schemes, exceeds 15% of the project cost.
- **Repayment:** The loan has a repayment period of 7 years, with a maximum moratorium period of 18 months.
- **Working Capital:** Working capital up to 10 lakh may be sanctioned through overdraft, with a Rupay debit card provided for the borrower's convenience. Working capital limits exceeding 10 lakh will be sanctioned as a Cash Credit limit.
- **Margin Money:** The scheme mandates a 15% margin money requirement, which can be met through convergence with eligible Central/State schemes. While subsidies from such schemes can be utilized to fulfil margin money requirements, the borrower is required to contribute a minimum of 10% of the project cost from their own funds.

Pradhan Mantri Vaya Vandana Yojana

Launch year - 2017

Ministry - Ministry of Finance

Objectives - To **safeguard individuals aged 60 years and above** from potential declines in their interest income due to uncertain market conditions. Additionally, it aims to provide social security during their old age.

Implementing Agency - Life Insurance Corporation (LIC) of India

Type - Central Sector Scheme

Eligibility -

- **Minimum Entry Age:** 60 years (completed)
- **Maximum Entry Age:** No limit
- **Policy Term:** 10 years
- **Investment limit** - Rs 15 lakh per senior citizen

Minimum Pension	Maximum Pension:
Rs. 1,000/- per month	Rs. 9,250/- per month
Rs. 3,000/- per quarter	Rs. 27,750/- per quarter
Rs. 6,000/- per half-year	Rs. 55,500/- per half-year
Rs.12,000/- per year	Rs. 1,11,000/- per year

Features -

- To participate, individuals make an initial lump sum payment.
  - **The minimum purchase price is Rs. 1,56,000**, which guarantees a minimum monthly pension of Rs. 1,000.
  - **The maximum purchase price is Rs. 15,00,000**, providing a maximum monthly pension of Rs. 12,000.
- The assured pension is payable on a monthly basis.
- It is influenced by previously successful **Varishtha Pension Bima Yojana 2003 (VPBY-2003) and Varishtha Pension Bima Yojana 2014 (VPBY-2014).**
- **Death Benefit:** In the unfortunate event of the pensioner's demise during the 10-year policy term, the Purchase Price will be reimbursed to the designated beneficiary.
- **Maturity Benefit:** On survival of the pensioner to the end of the policy term of 10 years, Purchase price along with final pension instalment shall be payable.